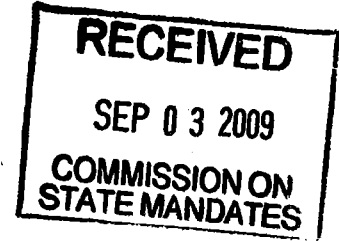




JOHN CHIANG
California State Controller
Division of Accounting and Reporting



August 28, 2009

Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814

RE: Prehearing Conference Request
Enrollment Fee Collection and Waivers
08-PGA-02 (99-TC-13 and 00-TC-15)
Education Code Section 73600, et. al.

Dear Ms. Higashi:

This letter is in response to Keith Peterson's August 5, 2009 letter that addressed a request to amend the Parameters and Guidelines for the Enrollment Fee Collection and Waivers program to establish a Reasonable Reimbursement Methodology (RRM). Specifically, what type of additional information does the State Controller's Office (SCO) require at the prehearing?

Below are two major items of interest that the SCO would like more information or clarification on, in order to better understand the RRM request:

- Data source information – What data source was used in obtaining values for "Students Paying Enrollment Fees" and "Waiver Granted"? The SCO has been unable to reconcile "Students Paying Enrollment Fees" and "Waivers Granted" as published by the California Community Colleges Chancellor's Office for the claimants included in the proposed RRM calculations. The SCO would like to discuss the methodology used to compile the Waivers Granted and Students Paying Enrollment Fees.
- Does the calculated unit cost truly represent an average cost per student? The proposed RRM computes a simple unit cost average, "Enrollment Fee Collection (EFC)" and "Enrollment Fee Waiver (EFW)" for each of the fiscal years 2004-05, 2005-06, and 2006-07. The EFC unit cost for these three years range from \$2.68 to \$41.33 and the unit cost for the EFW range from \$2.74 to \$66.54. The wide variances in the data suggests a methodology of excluding claimants with extremely low or high unit costs may result in a more accurate approximation of actual costs.

The SCO is pleased that Mr. Peterson has agreed to join the SCO in requesting the Commission to schedule a prehearing at the earliest convenience. The attendees should include representatives from the Chancellor's Office of the Community Colleges, the Consultants, the Department of Finance, and the SCO.

Please contact Ginny Brummels at (916) 324-0256 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jill Kanemasu". The signature is fluid and cursive, with the first name "Jill" written in a larger, more prominent script than the last name "Kanemasu".

JILL KANEMASU, Chief
Bureau of Payments
Division of Accounting and Reporting

JK/GLB/djs

Interested Parties

PROOF OF SERVICE BY MAIL

08-PGA-02; 99-TC-13 and 00-TC-15 – Enrollment Fee Collection and Waivers

I, the undersigned, declare as follows:

I am a citizen of the United States and a resident of the County of Sacramento. I am over the age of 18 years and not a party to the within action. My place of employment and business address is 3301 C Street, Suite 500, Sacramento, California 95816.

On August 28, 2009, I served the attached recommendation of the State Controller's Office by placing a true copy thereof enclosed in a sealed envelope addressed to each of the persons named below at the addresses shown and by depositing said envelopes in the United States mail at Sacramento, California, with postage thereon fully prepaid.

Mr. Jim Soland
Legislative Analyst's Office (B-20)
925 L Street, Suite 1000
Sacramento, CA 95814

Mr. Thomas Todd
Department of Finance (A-15)
Education Systems Unit
915 L Street, 7th Floor
Sacramento, CA 95814

Chris Bonvenuto
Santa Monica Community College District
1900 Pico Blvd.
Santa Monica, CA 90405-1628

Mr. Jon Sharpe
Los Rios Community College District
1919 Spanos Court
Sacramento, CA 95825

Mr. Keith B. Petersen
SixTen & Associates
3270 Arena Blvd., Suite 400-363
Sacramento, CA 95834

Mr. Allan Burdick
Maximus
3130 Kilgore Road, Suite 400
Rancho Cordova, CA 95670

Mr. Jim Spano
State Controller's Office (B-08)
Division of Audits
300 Capitol Mall, Suite 518
Sacramento, CA 95816

Mr. David E. Scribner
Scribner & Smith, Inc.
2200 Sunrise Blvd., Suite 220
Gold River, CA 95670

Ms. Ginny Brummels
State Controller's Office (B-08)
Division of Accounting and Reporting
3301 C Street, Suite 500
Sacramento, CA 95816

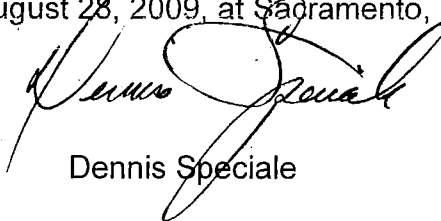
Mr. Michael Johnston
Clovis Unified School District
1450 Herndon Avenue
Clovis, CA 93611-0599

Ms. Jeannie Oropeza
Department of Finance (A-15)
Education System Unit
915 L Street, 7th Floor
Sacramento, CA 95814

Mr. Steve Shields
Shields Consulting Group, Inc.
1536 36th Street
Sacramento, CA 95816

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 28, 2009, at Sacramento, California.

A handwritten signature in black ink, appearing to read "Dennis Speciale", with a large, stylized loop at the end.

Dennis Speciale